

Profiting from the Latest Research in Online Fundraising

Who is online and what works

...and what doesn't!



Introductions...

- Katya is COO of Network for Good, which processes donations for 40,000 charities annually. She has authored and co-authored several books on nonprofit fundraising and marketing, blogs at nonprofitmarketingblog.com and teaches at American University.
- Dennis has spent over 25 years working at organizations like Epsilon and Share Group, serving nonprofits of all shapes and sizes. At Convio, he works from their DC office and is responsible for strategy, analytics, UX/IA and their partner program.

Feel free to...

- Ask a question at any point in our presentation
- Ask one question at a time so everyone has a chance. If you'd like a debate we can do that afterwards.
- Katya and Dennis will stay after to answer any questions... now let's begin.



New Research: We're Wired for Altruism



Causes



Donors



Causes



Donors

an end to
World Hunger:
hope for the future



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Home

P A S T

P R E S E N T

F U T U R E

[The world hunger problem: Facts, figures and statistics](#)

- In the Asian, African and Latin American countries, well over 500 million people are living in what the World Bank has called "absolute poverty"
- Every year 15 million children die of hunger
- For the price of one missile, a school full of hungry children could eat lunch every day for 5 years



Photo: By Darren Whiteside

Finding #1: Giving is emotional.



The more emotional, the more money



Finding #2: Giving is personal.





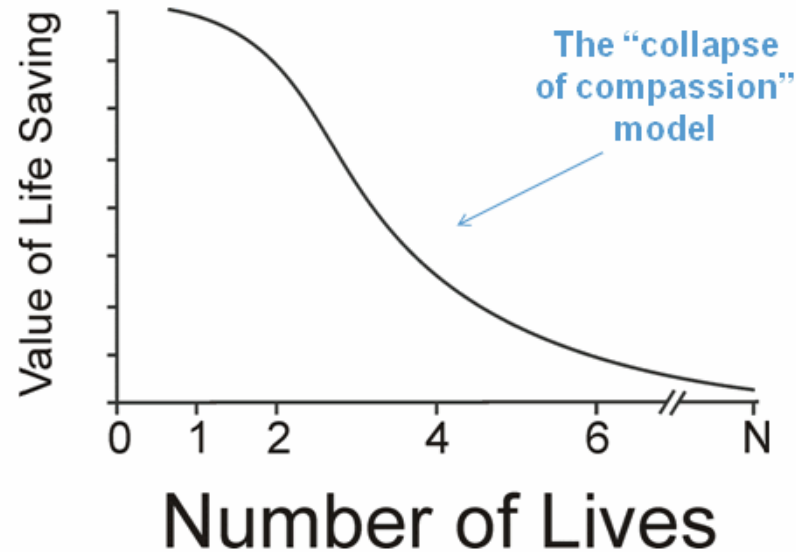


Photo Credit: YouGetThePicture, Flickr



The singularity effect

HOW WE VALUE HUMAN LIFE: COLLAPSE MODEL



The Communications Network

3. Giving makes people happy.





**Recurring giving
makes people
VERY happy.**

Most fundraisers probably don't think of themselves in the business of selling happiness to donors, but that is ... their job."

M.A. Strahilevitz

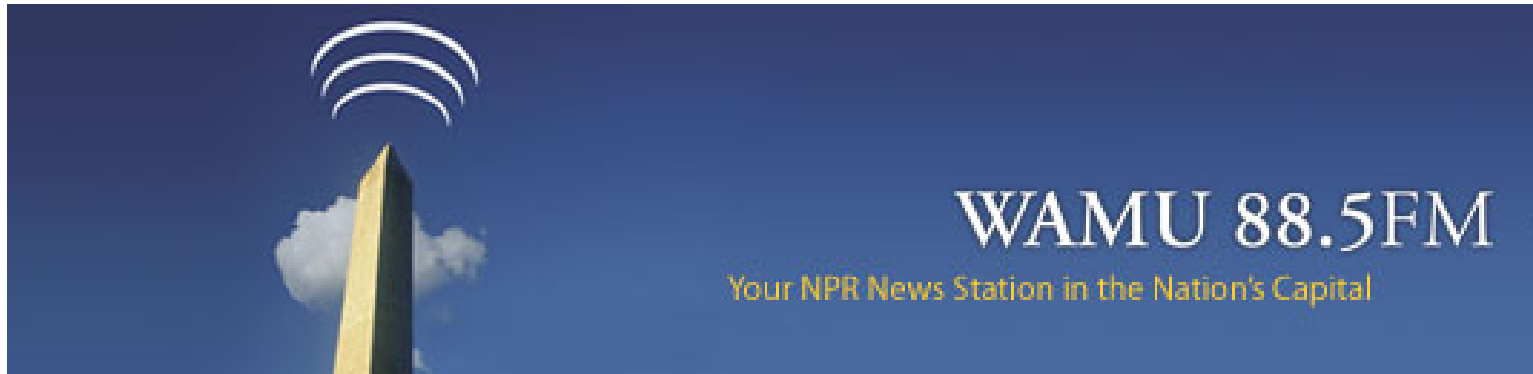
4. Giving is social.



The last person gave...



Not so fast...



[Home](#)

[Login](#)

[Return to
wamu.org](#)

1 Payment Information ————— **2** Review

*Select a donation amount

- \$2.9 million
- \$5 million
- \$100 million

The Takeaways

Technology depends more on human bonds than wires. If you want to succeed:

- Use technology to **increase** emotion
- Go for a one: one, human scale
- Leverage friends to friends
- Be tangible in your ask
- Push recurring giving
- Leverage social norms

So That's Where Donors Are Mentally

- Where are they doing their **giving**?
- What does that mean for online **fundraising**?
- What does this mean for your organization?

What audiences are online?

What channels are appropriate?

Whose multi channel or whose not?



- Do you know who you are engaging online? Their age, gender, if they are a social media fan, if they are a multi channel on line supporters?
- Do you know what channels are most or least effective? Do you know why they are or are not effective?
- Today we'll cover why simple data collection is critical.
- How different ages interact differently than other age cohorts.
- The Role of Facebook, Twitter, and Email all have for online fundraising.

Younger Donors & Constituents Wanted



But it's more likely him...



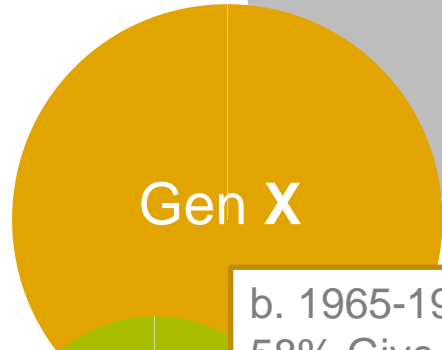
Rather than her...

USA Generational Giving Study 2010

Total Annual Giving

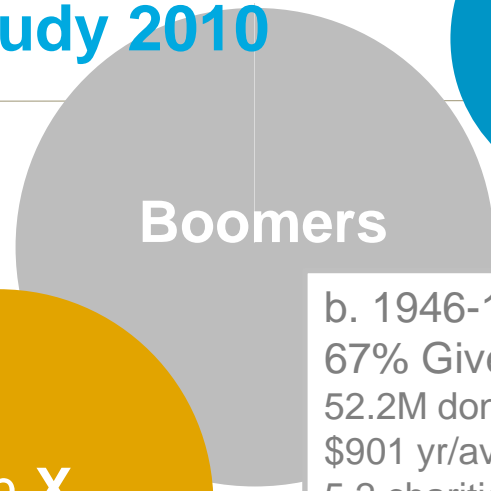
\$1,200.
\$1,100.
\$1,000.
\$900.
\$800.
\$700.
\$600.
\$500.
\$400.
\$300.
\$200.
\$100.
\$0.

Size of each pie is significant – represents total

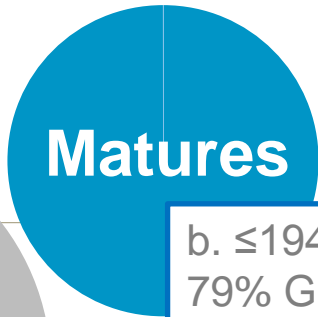


b. 1965-1980
58% Give
35.9M donors
\$796 yr/avg
4.2 charities

b. 1981-1991
56% Give
28.5M donors
\$341 yr/avg
3.6 charities



b. 1946-1964
67% Give
52.2M donors
\$901 yr/avg
5.2 charities



b. ≤1945
79% Give
30.8M donors
\$1066 yr/avg
6.3 charities

30%

40%

50%

60%


















70%

80%

90%

% Giving

Changing Constituent Landscape

	Matures	Boomers	Gen X
	 <div data-bbox="564 544 774 691"> <p>POPULATION 39M</p> </div>	 <div data-bbox="1087 544 1298 691"> <p>POPULATION 78M</p> </div>	 <div data-bbox="1619 544 1829 691"> <p>POPULATION 62M</p> </div>
ANNUAL GIVING	\$\$\$\$\$	\$\$\$\$\$	\$\$\$\$\$
DONATED BY CHECK BY MAIL			
PRIMARY CHANNELS	 	 	   
REGULARLY ON FACEBOOK			

Increasingly Multichannel Behavior

% say appropriate solicitation channel

	GEN Y	GEN X	BOOMER	MATURE
Mail	77%	79%	74%	77%
Email	76%	69%	60%	51%
Social Media	69%	60%	38%	17%
Phone	51%	42%	39%	34%
Text	38%	25%	16%	13%

Word of Mouth is Critical

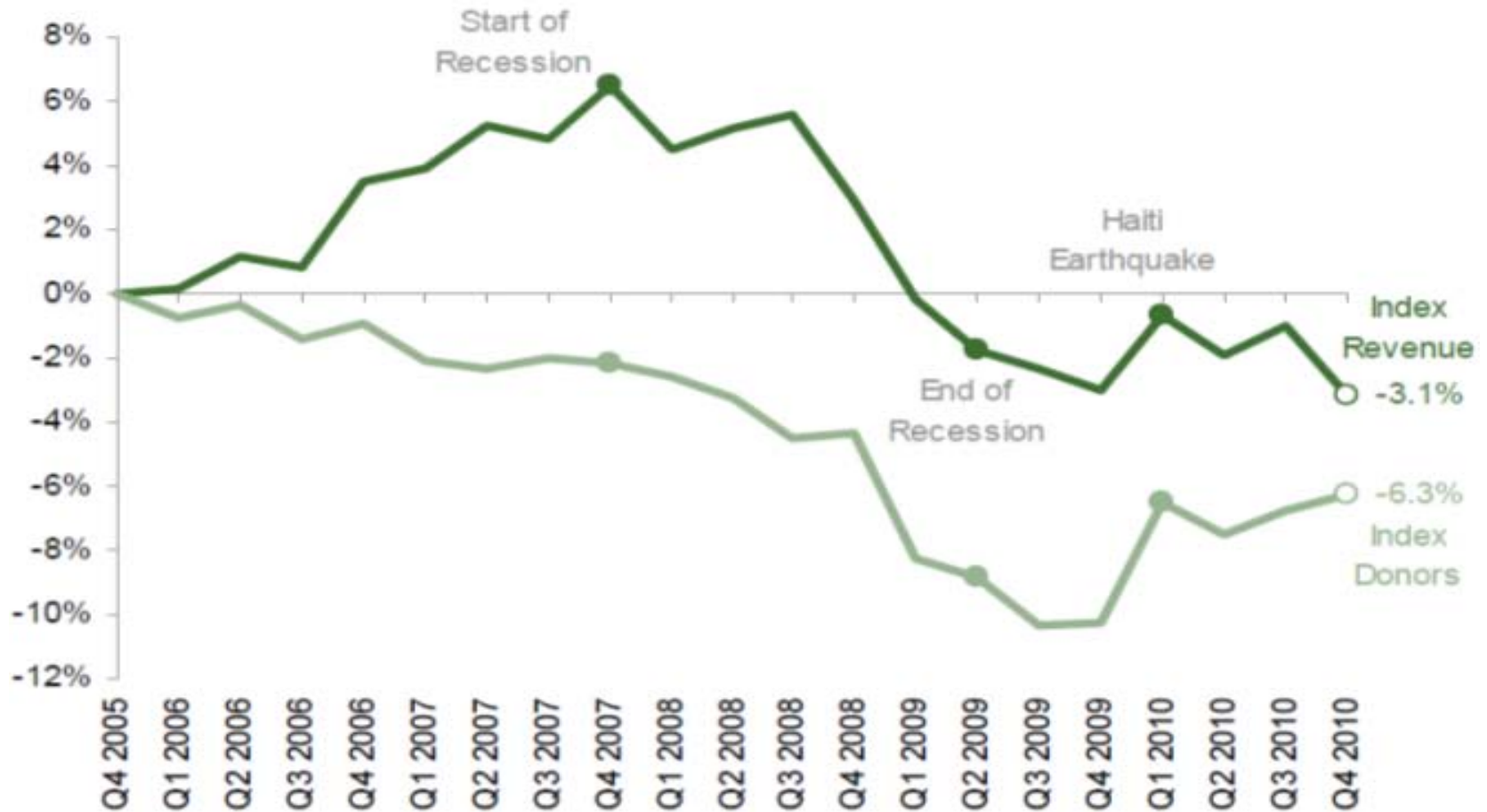


“Peer to peer solicitation is the most acceptable form of solicitation”

GEN Y	GEN X	BOOMER	MATURE
87%	89%	82%	76%

New Donor Challenge

Fig. 4: Five-Year Overall Index Revenue and Donor Trends
Cumulative Rolling 12-Month Median Change from Q4 2005

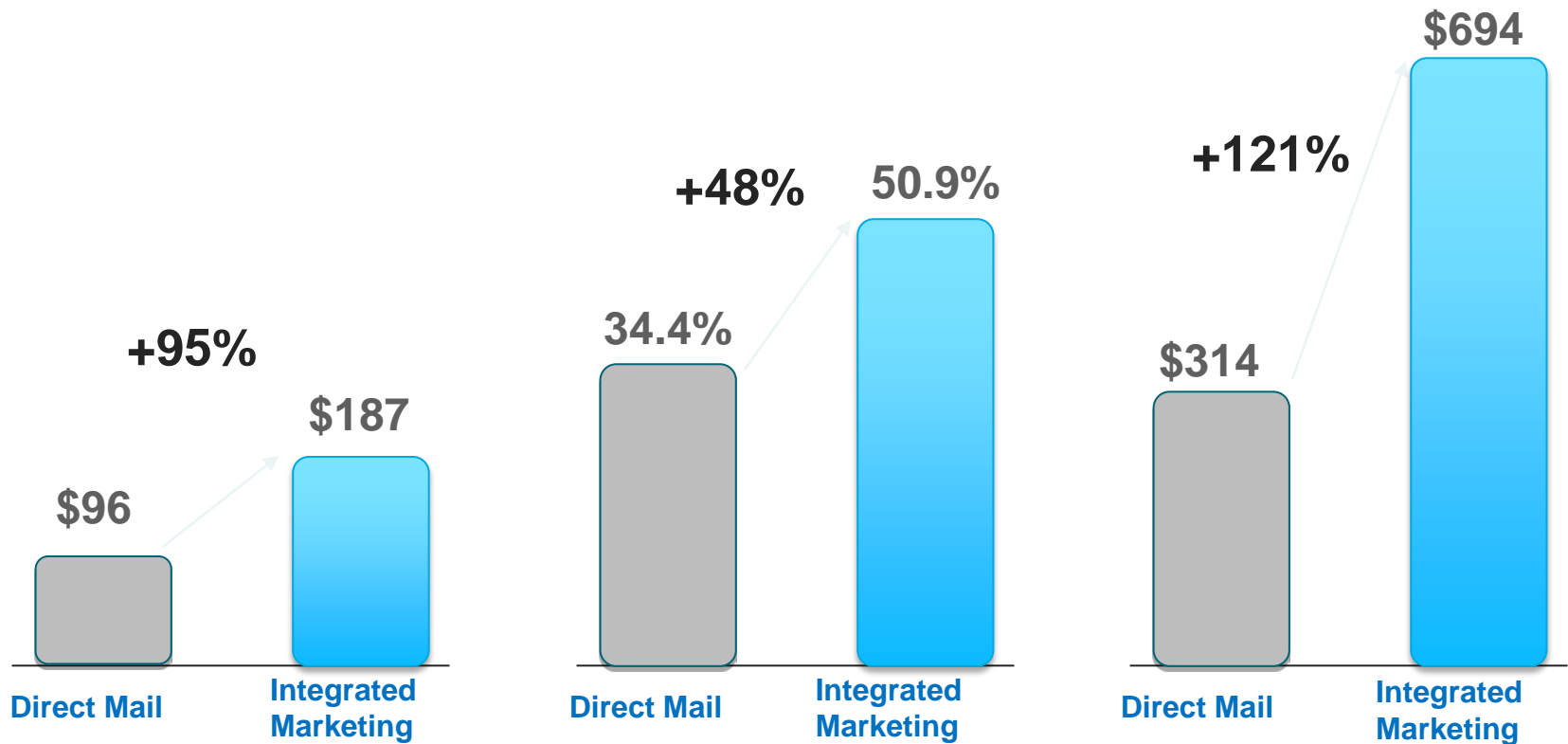


Channel Integration Value

Donor Value Over 12 Months

New Donor Renewal Rate

Lifetime Donor Value

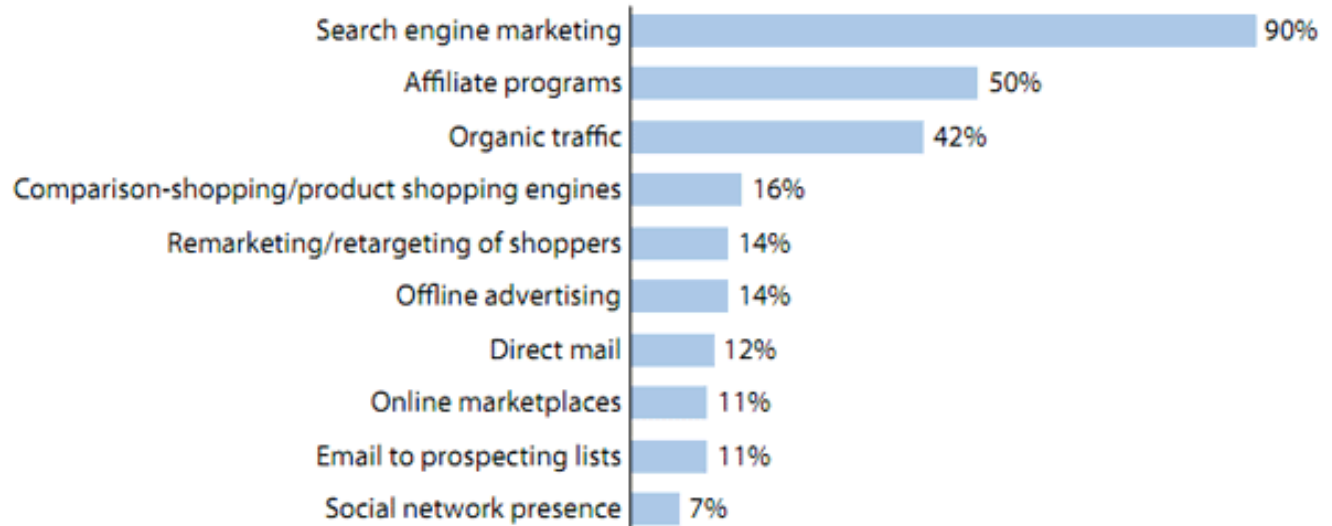


Where does social media stand with acquisition?



1-2 Social networks rank last among 10 customer acquisition tactics

“Which of the following were your top three most effective sources used to acquire customers in 2009?”



Base: 102 online retailers

Source: “The State Of Retailing Online 2010,” a Shop.org study conducted by Forrester Research

58603

Source: Forrester Research, Inc.

What about fundraising with social media...

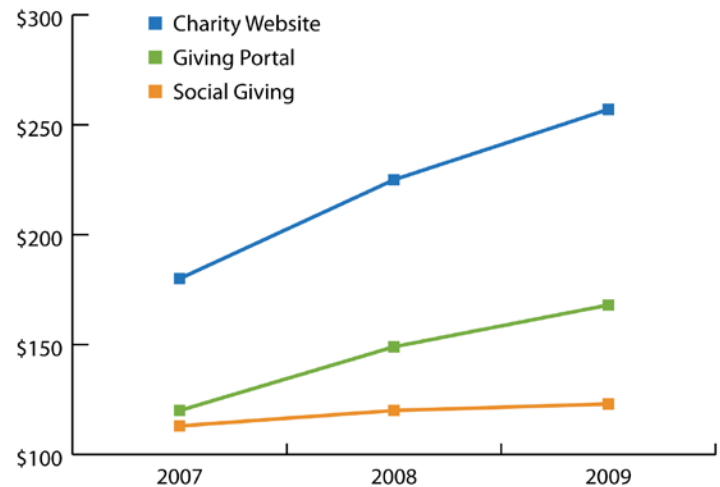
	NOT FUNDRAISING	\$0 – \$1K	\$1K – \$10K	\$10 – \$100K	MORE THAN \$100K
Facebook	52%	35%	11%	2%	0.4%
Twitter	80%	17%	2%	1%	0.1%
YouTube	91%	8%	1%	0.4%	0.1%
LinkedIn	94%	5%	1%	0.1%	0.1%
Flickr	98%	2%	0.2%	0.1%	0%

Social Media & Online Giving

- ❖ **Charity Websites:** Where two-thirds of giving occurs
- ❖ **Giving Portals:** Donors can search for and support any charity registered with the IRS (NetworkforGood.org, GuideStar.org, CharityNavigator.org).
- ❖ **Social Giving:** Donors can give to many charities and/or fundraise with friends & family (includes Causes on Facebook, Change.org, YourCause.com)

Online Giving Trends by Venue (2007-2009)

Analysis of cumulative online giving (i.e., giving added up over time) via different pages powered by Network for Good shows that donors who gave via charity websites started at the highest level and gave the most over time. Those who used giving portals started lower and gave less over time. Those who used social giving opportunities gave the least initially and added little afterward.



Less Personal = Lower Donations

Strong Relationship, Highest Value

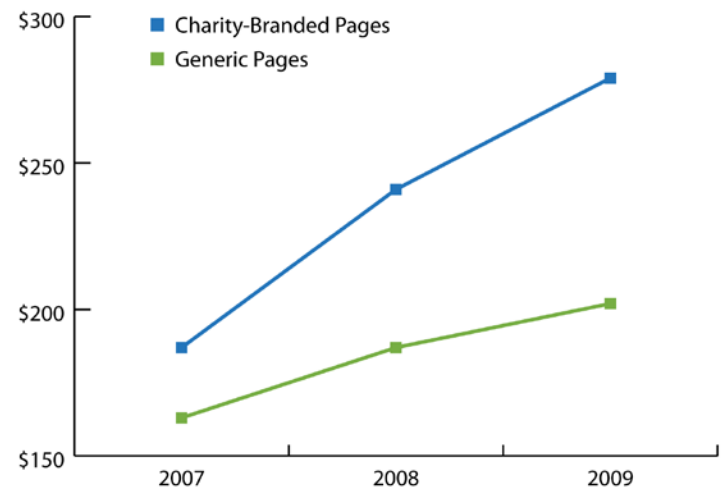
On pages that are branded to the charity (and look like the rest of the charity's website), donors started higher and gave 38% more over time than on generic pages (which also require login and a multi-page checkout process).

A Little Personality Goes a Long Way

Repeat giving by donors acquired through generic giving pages is 66.7% lower than for donors who gave through charity-branded pages.

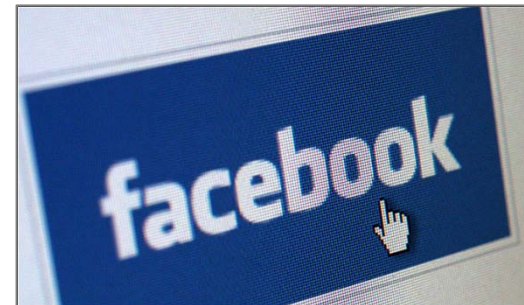
Online Giving by Charity Website Giving Experience (2007-2009)

Analysis of cumulative giving (i.e., giving added up over time) through charity websites powered by Network for Good shows the giving experience has a significant impact on donations: Donors who gave through pages branded by the charity started at a higher level (\$187) and increased more (to \$279) than those who gave through generic pages (\$163, rising only to \$202). That's 38% more.



Social Media & Fundraising

- According to a recent February 2011 Idealware survey:
 - **40%** reported success in converting fans to donors or even volunteers
 - **66%** of respondents from advocacy organizations saw an increase in people taking some noticeable form of action
 - **29%** saw an increase in donations from fundraising with Facebook



When Social Works

- Donor is the center of the campaign
- Fundraiser has a personal story
- Fundraiser has tools to reach their circles of influence
- The cause becomes a community
- Urgency
- Technology serves as an embrace

Major Donors Multichannel Too

Trends:

- We are now seeing online gifts of **\$50,000**
- **86%** of donors visit the website before making a gift offline
- Only **8%** are inspired by websites alone

What they want:

- **75%** want to control frequency and content
- Donors want to receive tax receipts, renewal notices and **financial progress** updates

Fundraising has Changed, Permanently

- Be transparent and tangible: donors expect it
- Invest in online: Direct mail remains but no longer dominates; Your multichannel practices must evolve quickly
- TAKEAWAY on this one? Video, social and mobile are mainstream
- TAKEAWAY on this one? Systems deliver strategic advantage/ productivity
- People drive change! Have you read “Switch” by the Heath brothers?



Paddy O'Brien

Much-loved son and brother / Role model

Cookie-bringer / Cancer survivor

UCSF Debuts Facebook Fan Page as Part of Social Media Strategy

By Lisa Cisneros on September 7, 2010

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Today UCSF is unveiling a [Facebook fan page](#) to raise awareness of the University's high caliber of patient care, research and education among key audiences who consume news and information via social media.

The launch of the Facebook fan page is the latest development in UCSF's emerging social media strategy, which is being led by Barbara J. French, vice chancellor of University Relations. Earlier this summer, UCSF created and implemented a branded presence on [YouTube](#) to showcase videos about its economic impact, newest Nobel laureate, global outreach and more.

"Our overall goal is to raise the visibility of UCSF's excellence in patient care, discovery and education," French says. "Social media is another way to reach people who care about what we do, to engage them more deeply and to empower them to spread the word about UCSF."










To that end, University Relations, the umbrella unit for UCSF Public Affairs and Community & Governmental Relations, hired its first-ever social media manager, Lena Shaw, to develop UCSF's presence in social media circles.



Lena Shaw

Project Leaderboard

66 causes are competing to get the most donations for this project




CAUSE	DONATIONS COLLECTED
CURRENT LEADERS The top 2 teams get to name a room at the UCSF Benioff Children's Hospital	
1  Zynga for UCSF Benioff Children's Hospital	163,078 donations Donate
2  Paddy O'Brien and Mark Laret's UCSF Challenge for the Children Team!	1,058 donations Donate
CONTENDERS	
3  Join Marc Benioff and UCSF To Build The World's Best Children's Hospital	301 donations Donate
4  Dave Morin and Path for the UCSF Benioff Children's Hospital	257 donations Donate
5  Marissa Mayer & Zack Bogue for the UCSF Benioff Children's Hospital	202 donations Donate
6  Loic Le Meur, Le Web and Seismic for UCSF Children's Hospital	128 donations Donate
7  Ashton Kutcher for UCSF Benioff Children's Hospital	114 donations Donate
8  Team Lani for the UCSF Benioff Children's Hospital	101 donations Donate
9  Ron Conway and MC Hammer Team Up for UCSF Benioff Children's Hospital	100 donations Donate



911 Promoters [Tell Friends](#)

-  **Atul Kumar** posted to profile. about 8 hours ago · [Give Props](#)
-  **Marcy Simon** posted to profile. about 18 hours ago · [Give Props](#)
-  **Yolanda Williams** posted to profile. 1 day ago · [Give Props](#)

Top Fundraisers [Tell Friends](#)

-  1. **Dave Morin** \$20,090 raised
-  2. **Ali Partovi** \$13,065 raised
-  3. **Bruce Francis** \$3,890 raised

Featured on these Causes

-  **Zynga for UCSF Benioff Children's Hospital** 8,137 members

CANDY CANES FOR A CAUSE!

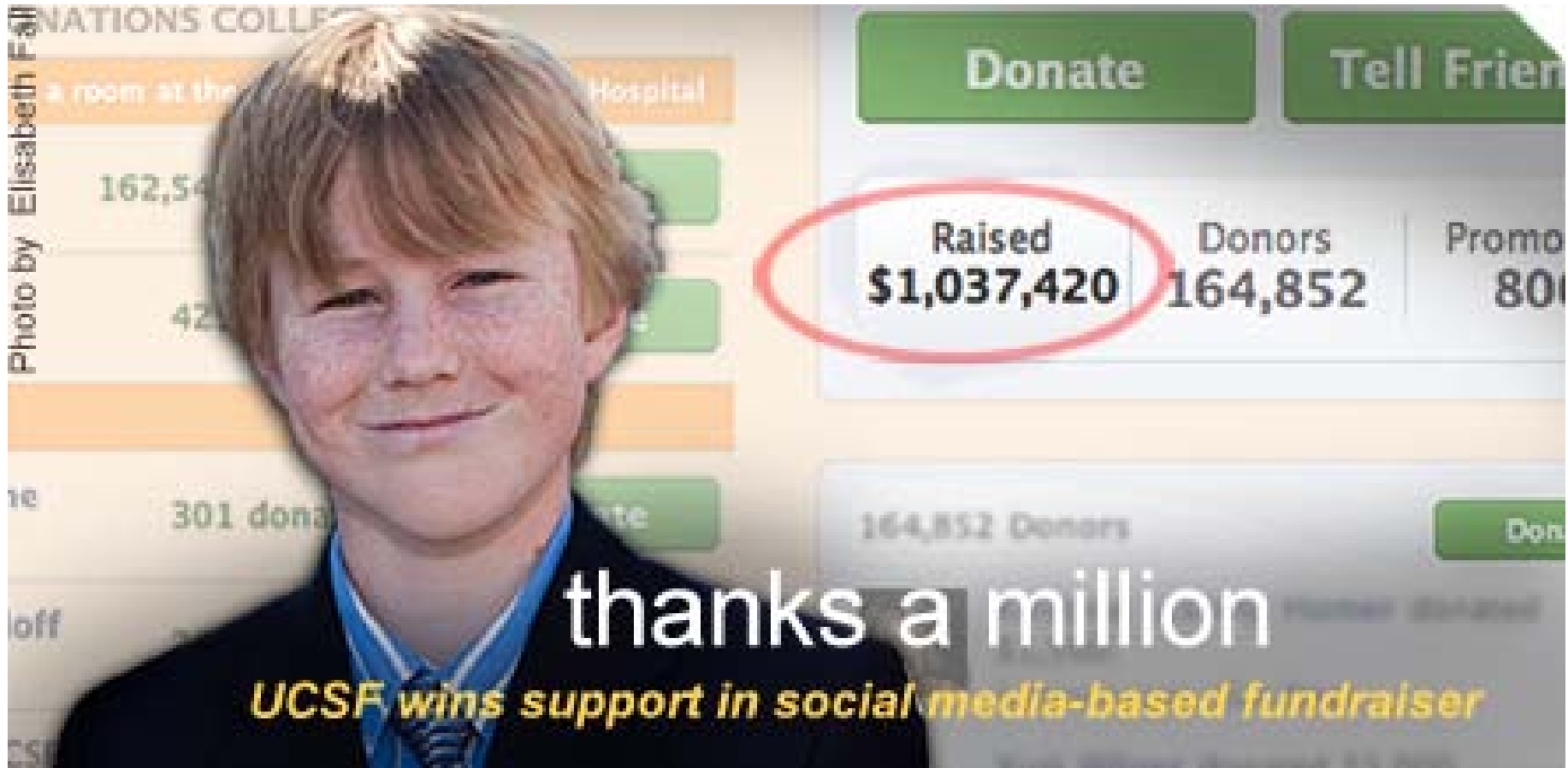
Zynga will donate 100% of the Candy Cane Crop sales to support the UCSF Benioff Children's Hospital



Donate Today!



Photo by Elisabeth Fall



thanks a million

UCSF wins support in social media-based fundraiser

The stirring conclusion...

- So what did you learn today?
 - One to one
 - Emotional/visual not rational/text
 - Message by age and gender – different message pathways
 - BE authentic, warts bruises and all...